



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 20, 2013

Jimmy Hodges
676 North 100 West
P.O. Box 1319
Beaver, Utah 84713

Subject: Reclamation Completed, Jimmy Hodges, Wah Wah Mine S/021/0031, Iron County, Utah

Dear Mr. Hodges:

On November 18, 2013, the Division of Oil, Gas and Mining was informed by Ed Ginouves of the BLM that you had completed the required reclamation at the Wah Wah Mine. This action will close the Division's directive sent to you February 22, 2012.

This letter also authorizes the BLM to release all surety being held for reclamation of the Wah Wah Mine (permit # S/021/0031).

With this action, the Division will close the file. Should you desire to conduct mining or exploration activities in this area in the future, you will need to file a new Notice of Intent, provide adequate reclamation surety and a reclamation contract and receive approval from this Office as well as the BLM.

Thank you for taking care of this important matter. Please call me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have questions about this letter.

Sincerely,

For PBB

Paul Baker
Minerals Program Manager

PB: Lk: pb

cc: Ed Ginouves, BLM (eginouve@blm.gov)

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5/021/031



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

4/30/01
Olaf

IN REPLY REFER TO
3809
(UT-924-OA)
UTU-78619

April 30, 2001

CERTIFIED MAIL--Return Receipt Requested

DECISION

Obligor:	:	Plan/Notice Serial No.: UTU-78619
	:	
Jimmy Hodges	:	Bond Amount: \$6,000.00
P. O. Box 1319	:	
Beaver, UT 84719	:	Execution Date: April 20, 2001
	:	
Financial Institution:	:	
	:	
Utah Independent Bank	:	
195 N. Main	:	
P. O. Box 1030	:	
Beaver, UT 84713	:	

RECEIVED

AUG 18 2004

DIV. OF OIL, GAS & MINING

Personal Bond and Letter of Credit Accepted

On April 30, 2001, this office received a Surface Management Personal Bond and a Letter of Credit (LOC) in the amount of \$6,000 for coverage of all operations conducted by or on behalf of the obligor on plan UTU-78619. The bond and the LOC have been examined and found acceptable; therefore, the bond is accepted effective April 30, 2001.

The pledge for the bond is a LOC written by the financial institution named above. The document will be retained by the BLM until all terms and conditions of the operating plan have been fulfilled or until a satisfactory replacement bond has been accepted. The LOC will be returned to the financial institution when this office determines that the bond is not longer required.

The LOC will continue indefinitely in the absence of notice from the financial institution of its determination not to renew the letter. Such a notice must be received in this office at least 90 days prior to the original expiration date of August 1, 2002, or the automatic extension dates falling on the same day in subsequent years. A copy of such notice also should be provided to the obligor, who would then be responsible for providing a replacement security to the BLM. Unless the obligor provides a satisfactory replacement bond a least 30 days prior to the then fixed expiration date, BLM will demand that the

financial institution pay the full amount of the credit to ensure continuing bond coverage of the obligor. Any such funds thus obtained will be retained, as long as none are required to correct defaults, until the bond is no longer required or until replacement bond coverage is accepted by the BLM.

/s/ Robert Lopez

Robert Lopez
Chief, Branch of
Minerals Adjudication

Distribution:

Obligor

Financial Institution

~~Negotiable Securities Custodian (SC-615)~~ 

Ed Ginouves, Cedar City Field Office (U-040)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SURFACE MANAGEMENT PERSONAL BOND

Act of May 10, 1872, as amended (30 USC 22-54)
Act of October 21, 1976, as amended (43 USC 1732-35)
Act of September 13, 1982 (31 USC 9301 et seq.)
Act of October 18, 1986 (100 STAT 1783)
Act of October 30, 1986 (100 STAT 3341)
Act of September 27, 1988 (102 STAT 1776)

Notice/
Plan of Operation Number:

KNOW ALL BY THESE PRESENTS, THAT:

Jimmy Hodges
(name)

of 676 N 100 W P.O. 1319 BEAVER Utah 84713
(address)

as principal ; is held firmly bound unto the United States of America in the sum of

Six thousand Dollar Letter of Credit dollars (\$ 6000.00).

lawful money of the United States, which may be increased or decreased by a rider hereto executed in the same manner as this bond.

The principal, in order to more fully secure the United States in the payment of the aforesaid sum, hereby pledges as security therefore, United States negotiable securities of a par value equal to the amount specified, cash, irrevocable letter of credit from a Federal Reserve Bank, or other instrument acceptable to the Bureau of Land Management (BLM). The principal, pursuant to the authority conferred by Section 1 of the Act of September 13, 1982 (31 USC 9303), does hereby constitute and appoint the Secretary of the Interior to act as his attorney-in-fact for the purpose of negotiating the cash or securities. The interest accruing on the United States securities, cash, or other instruments given above, in the absence of any default in the performance of any of the conditions, or stipulations set forth in this bond, or the plan of operations, must be paid to the principal. The principal hereby for himself/herself, any heirs, executors, administrators, successors, and assigns, jointly and severally, ratifies and confirms whatever the Secretary shall do by virtue of these presents.

The Secretary shall transfer this deposit for the faithful performance of any and all of the conditions and stipulations as set forth in this bond, the plan of operations cited above, and the regulations at 43 CFR Subpart 3809. In the case of any default in the performance of the conditions and stipulations of such undertaking, it is agreed that the Secretary shall have full power to assign, appropriate, apply, or transfer the deposit, or any portion thereof, to the satisfaction of any damages, reclamation, assessments, penalties, or deficiencies arising by reason of such default.

BOND CONDITIONS

1. WHEREAS the principal has an interest in a mining claim(s), mill site(s), or tunnel site(s) and/or responsibility for operations on the mining claim(s), mill site(s), tunnel site(s) or Public Lands under the Acts cited in this bond; and
2. WHEREAS the principal has received approval from the United States Department of the Interior of the plan of operations cited above, which plan of operations contain certain stipulations and conditions; and
3. WHEREAS the principal hereby waives any right to notice of, and agrees that this bond shall remain in full force and effect notwithstanding:
 - a. Any transfer(s) in whole or in part, of any or all of the land covered by the plan of operations and further agrees to remain bound under this bond as to the interests in the plan of operations retained by the principal; and
 - b. Any modification of the plan of operations or obligations thereunder; and
4. WHEREAS the principal hereby agrees that notwithstanding the termination, cancellation, or relinquishment of any mining claim(s), mill site(s), or tunnel site(s) covered by this plan of operations, whether by operation of law or otherwise, the bond shall remain in full force and effect as to the terms and conditions of the plan of operations and obligations covered by this bond; and

5. WHEREAS the principal agrees that in the event of any default under the plan of operations, the United States, through the BLM, may commence and prosecute any claim, suit, or other proceeding against the principal, without the necessity of joining the owner(s) of the mining claim(s), mill site(s), or tunnel site(s) covered by the plan of operations; and

6. WHEREAS if the principal fails to comply with any provisions of the plan of operations, and the noncompliance continues for 30 days after written notice thereof, such plan of operations shall be subject to suspension or cancellation under Section 302(c) of the Federal Land Policy and Management Act, as amended [43 USC 1732(c)], and the principal shall also be subject to the applicable provisions and penalties of Sections 303 and 305 of the Federal Land Policy and Management Act of 1976, as amended (43 USC 1733 and 1735). This provision shall not be construed to prevent the exercise by the United States of any other legal and equitable remedy, including waiver of the default.

7. WHEREAS, on the faith of the foregoing promises, representations, and appointments and in consideration of this bond, the United States has approved the plan of operations referenced herein.

8. NOW, THEREFORE, the condition of this obligation is such that if said principal(s), his/her heirs, executors, administrators, successors, or assigns shall, in all respects, faithfully comply with all of the provisions of the plan of operations referenced herein, any amendments thereto, and the rules and regulations contained in 43 CFR Subpart 3809, then this obligation is void; otherwise it shall remain in full force and effect.

Signed this 23 day of April, 2001, in the presence of:

Name and Address of Witness

Jimmy Hodges (Seal)
Principal

Name and Address of Witness

By: Jimmy Hodges
(Name & Title Typed)

Business Address: 676 N. 100 W. Beaver, Utah 84713

Signature: Jimmy Hodges

Name and Address of Witness

Utah Independent Bank - Letter of Credit
Surety

Name and Address of Witness

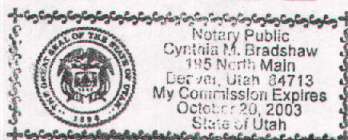
By: Craig A. White, President
(Name & Title Typed)

Business Address: 195 N. Main Beaver, Utah 84713

Signature: Craig A. White

STATE OF UTAH)
COUNTY OF BEAVER)

On the 23 day of April, 2001, personally appeared before me, a Notary Public, in and for the State of Utah, Jimmy Hodges, signer(s) of the instrument, who duly acknowledged to me that he executed the same.



Cynthia M. Bradshaw
Notary Public



PO Box 1030
195 N. Main
Beaver, UT 84713
Phone (435) 438-2433
Fax (435) 438-5885

IRREVOCABLE LETTER OF CREDIT

April 20, 2001

Beneficiary: U.S. Department of Interior - BLM
Mining Law Unit, Branch of Minerals Adjudication
PO Box 45155
Salt Lake City, UT 84145-0155

Letter of Credit #34085431
Amount: US \$6,000.00

**- COPY -
NOT NEGOTIABLE**

We hereby establish this Irrevocable Letter of Credit in favor of the U.S. Department of Interior - BLM, for the account of Jimmy Hodges, P.O. Box 1319, Beaver, UT 84713, up to the aggregate amount of Six thousand and no/100 dollars, to cover operations under Plan/Notice Serial Number: UTU-78619, Wah Wah Mine. Said funds are available by presentation of your drafts drawn on us at sight, clearly referencing this Letter of Credit Number and accompanied by:

Your signed statement stating: "I/We hereby certify that Jimmy Hodges has failed to perform in accordance with terms and conditions of the Plan/NoticeSerial Number: UTU-78619, Wah Wah Mine."

All drafts drawn must be marked: "Drawn under Letter of Credit No. 34085431 issued by Utah Independent Bank on April 20, 2001." All drafts drawn in compliance with the terms of this Letter of Credit will be honored by us if presented at our establishment located at 195 N. Main, PO Box 1030, Beaver, UT 84713 on or before August 1, 2002.

This Letter of Credit will be renewed for terms of one year upon each maturity date if all lending requirements are met by the borrower. If Utah Independent Bank is unable to renew this Letter of Credit, 90 days notice will be given to the BLM.

Sincerely,

Craig A. White
President



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 22, 2012

Certified Return Receipt Requested
7011 0110 0001 3568 3018

Jimmy Hodges
676 North 100 West
P.O. Box 1319
Beaver, Utah 84713

Subject: Reclamation Surety/No Mining Allowed, Jimmy Hodges, Wah Wah Mine, S/021/0031, Iron County, Utah

Dear Mr. Hodges:

By letter dated December 22, 2009, the Division of Oil, Gas and Mining required an increased reclamation surety for the referenced mine, but the Division has never received this surety. Most of the mine site, however, has now been reclaimed or vegetation has established naturally. Exceptions, according to an inspection report from Ed Ginouves with the Bureau of Land Management, include blocking a spur trail off of Sawmill Gulch and the beginning of a new road built under the notice. The gate and keep out signs also need to be removed.

The Division and the BLM consider the current surety of \$6,000.00 adequate for the remaining reclamation, but the only additional work allowed at this site is reclamation. **No mining is allowed.** The surety will not be released until reclamation has been completed as discussed above.

The Division requires that reclamation be completed by June 1, 2012. Failure to do so may result in issuance of a cessation order and associated fines, withdrawal of the notice of intention to commence small mining operations, and forfeiture of the reclamation surety. This requirement is based on rule R647-3-111.1.11 which allows the Division to withdraw a notice of intention for failure to maintain adequate reclamation surety, and on rule R647-3-113.5 which allows the Division to require reclamation after mining has been suspended for five years.

Please call me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have questions about these requirements.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:pb

cc: eginouve@blm.gov

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JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 22, 2009

Certified Return Receipt
7003 2260 0002 0247 8928

Jimmy Hodges
676 North 100 West
P.O. Box 1319
Beaver, UT 84713

Subject: Deficient Reclamation Surety, Jimmy Hodges, Wah Wah Mine, S/021/0031, Iron County, Utah

Dear Mr. Hodges:

The Division of Oil, Gas and Mining has reviewed the reclamation surety for the Wah Wah Mine. This surety was due for review on April 30, 2005. Your current reclamation surety is \$6000, which the Division is holding as a letter of credit. The Division has recalculated the surety based on your permitted area of two acres to be:

\$11,700 escalated for 3 years (surety amount next reviewed in 2012) OR
\$12,000 escalated for 5 years (surety amount next reviewed in 2014)

The Division uses standard per-acre costs to determine surety amounts for small mines. The figures used are shown in the following table:

Project Size (Acres)	Surety 3 & 5 year escalation	Comments
1 or less acres	\$7,400 (3-year escalation) \$7,600 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,300/ acre (3-year escalation) \$4,400/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 5-acres	(i.e. Maximum of 5 acres = \$7,400 +\$17,200 = \$24,600) (3-year escalation) (i.e. Maximum of 5 acres = \$7,600 +\$17,600 = \$25,200) (5-year escalation)	\$600.00 difference between 3 and 5 year escalation amount for 5-acres of disturbance.

Jimmy Hodges
Page 2 of 2
S/021/0031
December 22, 2009

Based on the information in the NOI, the Division has determined that you must post additional surety in the amount of:

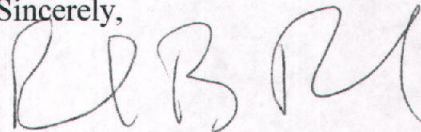
\$5700 for 3-year escalation OR
\$6000 for 5-year escalation

Please note that the figures shown above are based on the permitted acreage. The Division inspected the site in 2009 and found the disturbed area to be 0.60 acres. The amount of surety required could be reduced if you were to amend the NOI to show one acre of disturbance.

If you decide to amend the NOI, please submit the amendment no later than February 15, 2010. In this case, the additional surety required would be \$1400.00 for a three-year escalation or \$1600.00 for a five-year escalation. Whether or not you choose to amend the NOI, the additional surety (\$1400.00 or \$1600.00 for one acre or \$5700.00 or \$6000.00 for two acres) needs to be filed with the Division by February 15, 2010.

Please contact surety coordinator, Penny Berry, 801-538-5291, for instructions on how to submit this increased surety. She can be reached at 801-538-5291 or by e mail at bondcoordinator@utah.gov. If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Lynn Kunzler at 801-538-5310.

Sincerely,



Paul Baker
Minerals Program Manager

PBB:jr:pb

cc: ed_ginouves@blm.gov

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From: Paul Baker
To: Berry, Penny
Date: 12/22/2009 12:03 PM
Subject: Wah Wah Escalation Letter

Here's another escalation letter. The due date is February 15.

Thanks.

O:\M021-Iron\S0210031-WahWah\draft\escalate-12102009.doc

Paul Baker
Minerals Program Manager
Utah Division of Oil, Gas and Mining
801-538-5261
Fax 801-359-3940